Big Horn REA RATES

rom our member survey completed last year, one thing that was noted as being important to our membership is information about rates. Big Horn has not had a rate increase since 2017 when the wholesale power cost increase was passed through to our rates. Big Horn's power supplier, Tri-State Generation & Transmission has not increased rates since 2017. Compared to the increases in costs to such things as food, vehicles, fuel -- well just about every product that a person uses, it is remarkable that Big Horn and Tri-State have not raised costs. Big Horn will continue to budget for all expenses and attempt to be efficient with our resources in order to control costs.

Big Horn's power costs payable to Tri-State Generation & Transmission account for nearly 68 cents for every dollar of revenue received for sales of electric energy. Big Horn's representative on the Tri-State board is William "Willie" Bridges. Willie is also Big Horn's representative on the Rate Design Committee.

- 1. What are the goals of the Rate Committee? The goal of the Rate Design Committee (RDC) is to develop a rate that will keep Tri-State financially viable and be fair and equitable to all members of Tri-State.
- What are some of the major external items and internal items that affect and/or must be incorporated into a rate structure designed to be used by Tri-State?

A major external item that affects the rate is the

requirements of the Federal Energy Regulatory Commission (FERC). A settlement that was reached with the members and FERC required a comeback filing of a rate change in September of 2023. Since the new rate falls under FERC jurisdiction, Tri-State will have to design a rate that meets certain requirements that FERC requires. One of these is assigning the cost of transmission lines to the member that benefits from that line. Currently we socialize a lot of costs by all members sharing. Moving forward, some of the costs will have to be assigned to individual Tri-State members that will affect their rates. Internally we have to develop a rate that will allow Tri-State to have enough margins for the coop to operate efficiently but not be excessive.

3. How does Tri-State's use of renewables impact a rate design?

As with all sources of power generation, renewables are accounted for in a rate design. Even though wind and sunlight are thought of as being free, producing power from those sources of energy still has cost associated with it. Besides producing the power, there is also the cost of transmitting that power from the source to the end user. These costs are included in a very complex process of financial forecasts that Tri-State uses in the rate design.

What are a few things that you have probably become more aware regarding Tri-State's operations relative to costs and rate design?

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CL05ED

Veteran's Day is Nov 11. THANK YOU VETERANS! In observance our office will be closed. HAPPY THANKSGIVING Our office will be closed November 24-25. Have a safe and Happy Thanksgiving.

Thank!

Are you considering wind or solar power?

Make sure you contact Big Horn REA First!

Today's changing energy landscape is bringing more attention to renewable energy resources, including wind and solar. Big Horn REA's Board of Directors has put into place guidelines for those who are interested in generating their own power and connecting it to Big Horn's lines.

Interconnection with your cooperative

Whenever generation is connected to the electric grid, the safety of cooperative employees, member-owners and the public must be given top priority. Big Horn Rural Electric Company has a mission to provide safe, reliable, and competitively priced electric energy to our member/owners.

Investing in wind or solar

Before investing in a wind or solar system or connecting it to the power grid, you should meet with Big Horn REA and a certified installer to gain an understanding of the expectations for both the co-op and member owner. Big Horn will work with you to complete the interconnection application – Application for Operation of Customer-Owned Generation and submittal of the Interconnection Agreement. A non-refundable \$1,000.00 application fee shall be paid by the member-owner.

Member-owner's responsibilities

Any proposed owner of a generating facility/qualifying facility that is to be interconnected with Big Horn's system will be responsible for all costs relative to the proposed interconnection project. These costs will include labor, expenses, overheads, and other related costs for such things as: review of application; consultant costs to review/monitor proposed project; system upgrade; meter and metering costs; testing of interconnection; etc.

Payment for all estimated costs relative to the proposed interconnection project will be the responsibility of the interconnection customer and are due and payable before the project can begin. The non-re-

fundable application fee will be applied to the total cost of the project when completed and will be retained if the project is withdrawn. Cost estimates will be valid for forty-five (45) days. All wind or solar systems are subject to being reviewed and approved by the State of Wyoming Electrical Inspector. The final approved plan review and passed inspection documents must be provided to Big Horn prior to interconnection.

Cooperative's responsibilities

Big Horn REA is your partner in providing you with safe, reliable electric service. Big Horn will make reasonable efforts to process and analyze the interconnection application and project within ninety (90) days of receiving said application and necessary related items. Consideration of an application and possible purchase of energy from an interconnected customer must be in compliance with Big Horn's policies, rules and regulations and prudent business practices.

Frequently Asked Questions About Net Metering

Are there any Big Horn rebates for installing PV solar?

Big Horn offers a net-metering program to purchase any excess renewable generation from our members. We do not offer any rebates or incentives for members to purchase PV solar systems.

Will I still have a Big Horn bill?

As a member, you will receive a bill that will itemize any charges/debits for power in addition to the

normal base facility charge and taxes associated with your account.

Note: please contact Big Horn for current rates.

Will my system still operate in the event of a Big Horn outage?

PV solar inverters are gridtie systems and are required to meet Underwriters Laboratory (UL) 1741 and (IEEE) 929 Institute of Electronic Engineers Electrical. The PV system is designed to shut



down if the Big Horn grid goes down. This is to protect the member's system as well as any utility personnel working to restore the outage. The PV solar system will only be able



Attention Lovell Area Members!

There will be a planned outage!

Western Area Power Administration (WAPA) who supplies power to Tri-State, will be completing a required 6-year maintenance at the Lovell Substation.

Scheduled to begin at 10:00 pm October 10th, 2022, and end at 6:00 am October 11th, 2022.

If circumstances occur that will not allow the work to be done the alternate schedule will be for work to begin at 10:00 pm October 17th, 2022, and end at 6:00 am October 18th, 2022.

All members that will be affected will receive a post card.

Please contact Big Horn REA if you have any questions about this project.

to continue operating if your system is installed with a battery backup. The PV solar will continue operating to charge your battery system while the batteries supply electricity for the home.

How can I tell if my PV solar system is working?

Most PV solar inverter companies offer an app or website for monitoring the system production. The PV solar contractor should be able to assist with setting up this type of system monitoring.

As a consumer, how can I protect myself and my investment?

Do your research. When you make the decision to invest in residential solar, you are making a significant financial investment. Be sure to do your research on the company.

- Are the installers North American Board of Certified Energy Practitioners (NABCEP) Solar Photovoltaic (PV) Electric trained and certified?
- When was the company established and how much solar has it installed to date?
- Can the company provide a list of the projects and references for them?
- Is the installer accredited with the Better Business Bureau? If so, what is their rating?

Energy Efficiency <u>Tip of the Month</u>

If you can see daylight around a window frame or if you can rattle a window (movement means possible leaks), the window likely needs to be sealed. Most window leaks can be sealed with caulk or weatherstripping, which come in a variety of compounds and materials. Visit www.energy.gov/ energysaver to learn how and where to seal air leaks

air leaks

Source: energy.gov

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Big Horn REA RATES

In all power rates there exists both energy and demand. My time of being on this RDC has helped me to understand the difference and the balance of these two items. If you put more costs into energy than demand or vice versa, you can create a "tilt" in the rate that can benefit one member and hurt another. It will be important that the rate committee finds the right "tilt" that all Tri-State members can accept.

5. When will a potential rate be provided from the Rate Committee to the Tri-State Board and Executive Staff?

The RDC's schedule is to have a draft rate for the Tri-State board and staff to review in April 2023. This draft would then be approved by the board in May 2023. The approved rate will then be submitted to FERC for filing in September 2023.

6. Do you have any predictions on whether there will be a rate change in the wholesale power costs, and if so what percentage of change?

It is my opinion that wholesale power rates will go up with the new rate. Everyone over the last year or more has seen an extreme increase in inflation that has affected Tri-State just like everyone else. As far as how much the rates will increase it is still too early to say for sure but

probably in the 6% to 7% range.

7. When would Tri-State potentially be changing their rates that they charge to Big Horn and its 42 other member cooperatives?

Once the rate is submitted to FERC, the new rate would go into effect January 2024 subject to refund. The final ruling on the rate from FERC will not occur until sometime late 2024. If the rate is found to be not satisfactory to FERC, they will work out a settlement and the rate would be adjusted. Any over payments that might have been made in the interim would be refunded to the members. Underpayments would made up in the new rate.

Are you considering adding a pivot or increasing your load? Big Horn will be working on the 2023 budget and wants to make sure we hear from you. By December 15, 2022 to discuss your project.

HIGHLIGHTS

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Box 270 V Basin, WY 82410 FAX 307-568-2402

VOLUME 43 No. 9 (307) 568-2419

1-800-564-2419

bhrec@bighornrea.com www.bighornrea.com

MANAGER: Jeff Umphlett

(307) 899-8153 jeff@bighornrea.com

Staff and Crew

Dotti Brown Rusty Burden Clint Getzfreid Todd Herman Jazmin Jara Heather Lawrence Shane Mulloy Anthony Nelson Bill Phillips Aileen Schriner Tristen Snyder Greg Tharp Justin Workman

For Outages or Trouble Call the office number: **ANYTIME** (307) 568-2419 or 1-800-564-2419

After 5 p.m., weekends and holidays all calls will be answered by our professional answering service, who will contact the appropriate person(s).

Big Horn Rural Electric Company is an equal opportunity provider and employer.

Board of Directors

John JoycePresident

Manderson • 568-2514

jnjoyce56@gmail.com

Willie Bridges......Vice President Cowley • 548-2545 willieb@pryormtneng.com

Steve HelburnSecretary
Greybull • 765-2900
stevehelburn@gmail.com

Sara SchlattmannTreasurer
Otto • 921-2024

hortonwyo@gmail.com